

BEFORE THE BOARD OF PRIVATE SECURITY PATROL  
OFFICERS AND INVESTIGATORS  
DEPARTMENT OF LABOR AND INDUSTRY  
STATE OF MONTANA

In the matter of the proposed amendment of ) NOTICE OF PUBLIC HEARING  
ARM 24.182.401 fee schedule, 24.182.501 ) ON PROPOSED AMENDMENT,  
and 24.182.505 licensure requirements, the ) ADOPTION, AND REPEAL  
proposed adoption of New Rule I type of )  
firearm, New Rule II requirements for firearms )  
instructor licensure, New Rule III armed )  
requalification required annually and New )  
Rule IV company licensure and branch offices )  
and the proposed repeal of 24.182.413 rules )  
for branch office )

TO: All Concerned Persons

1. On July 27, 2006, at 9:00 a.m., a public hearing will be held in room 489, 301 South Park Avenue, Helena, Montana to consider the proposed amendment, adoption, and repeal of the above-stated rules.

2. The Department of Labor and Industry (department) will make reasonable accommodations for persons with disabilities who wish to participate in this public hearing or need an alternative accessible format of this notice. If you require an accommodation, contact the Board of Private Security Patrol Officers and Investigators (board) no later than 5:00 p.m., July 21, 2006, to advise us of the nature of the accommodation that you need. Please contact Sandy Matule, Board of Private Security Patrol Officers and Investigators, 301 South Park Avenue, P.O. Box 200513, Helena, Montana 59620-0513; telephone (406) 841-2387; Montana Relay 1-800-253-4091; TDD (406) 444-2978; facsimile (406) 841-2309; e-mail dlibsdp@mt.gov.

3. The rules proposed to be amended provide as follows, stricken matter interlined, new matter underlined:

24.182.401 FEE SCHEDULE (1) through (1)(a)(iii) remain the same.  
(iv) Branch office 25  
(b) through (2)(a)(iii) remain the same.  
(iv) Branch office 25  
(b) through (3)(a) remain the same.  
~~(b) FBI processing fee~~ 24  
~~(c) Department of Justice processing fee~~ 8  
(d) through (j) remain the same but are renumbered (b) through (h).  
(4) remains the same.

(5) Fees for applicant fingerprint checks are set by the FBI and Montana Department of Justice, and are subject to change. Current fee amounts for fingerprint checks are available at the board office.

AUTH: 37-1-134, 37-60-202, MCA

IMP: 25-1-1104, 37-1-134, 37-60-202, 37-60-304, 37-60-312, MCA

REASON: The board has determined that reasonable necessity exists to amend this rule to further implement 37-60-202(3)(b), MCA, requiring the establishment of license fees for branch offices. The board is proposing to charge a \$25 license fee to cover the costs of the administrative steps required to process branch office applications. This amendment will affect approximately 100 branch offices of companies that are currently not licensed, and the board estimates that the aggregate fiscal impact will be approximately \$2,500 per year.

It is reasonably necessary to amend the rule to no longer specifically enumerate the fees for applicant fingerprint checks. These fees are set by the Federal Bureau of Investigation (FBI) and the Montana Department of Justice and are therefore subject to change by these entities. The board is amending the rule to clarify that the board does not set the fees, but only collects and forwards the money to the appropriate agencies. This process is not changing and there is no estimated fiscal impact to licensees or license applicants. Also, the board is clarifying that the current fees for fingerprint checks may be obtained by contacting the board office. Implementation cites are being amended to accurately reflect all statutes implemented through the rule.

24.182.501 REQUIRED INFORMATION FOR APPLICATION (1) through (7) remain the same.

~~(8) Contract security companies, proprietary security organizations and electronic security companies shall provide proof of registration with the Montana secretary of state's office and provide the following information:~~

- ~~(a) for individual ownership, the name of the owner and the owner's address;~~
- ~~(b) for a partnership, a list of partners and their addresses;~~
- ~~(c) for a limited liability company, a list of the members and their addresses;~~

or

- ~~(d) for a corporation, a list of principal officers and their addresses.~~

AUTH: 37-1-131, 37-60-202, MCA

IMP: 37-60-304, MCA

REASON: It is reasonably necessary to amend this rule to delete section (8) as the board is proposing New Rule IV elsewhere in this notice. New Rule IV will address the requirements particular to company licensees and will include the requirements formerly in (8) of this rule.

24.182.505 WRITTEN EXAMINATION (1) An applicant for licensure as a private investigator, a resident manager, a firearms instructor, or a security alarm installer shall take and pass a written examination.

(1) through (8) remain the same but are renumbered (2) through (9).

AUTH: 37-1-131, 37-60-202, MCA

IMP: 37-60-303, MCA

REASON: The board determined that reasonable necessity exists to amend this rule and specify which license applicants must take and pass written examinations. Section 37-60-303, MCA, permits the board to require applicants to demonstrate licensure qualifications by written examination. The board concluded that requiring private investigators, resident managers of security companies, firearms instructors, and security alarm installers to successfully complete a written examination will further safeguard the public health, safety, and welfare by ensuring the board is licensing qualified and competent applicants.

4. The proposed new rules provide as follows:

NEW RULE I TYPE OF FIREARM (1) Upon receipt of armed endorsement, a licensee is endorsed and approved by the board to carry the firearm(s) (by make and caliber) with which the licensee trained or qualified with a board approved licensed firearms instructor and course.

AUTH: 37-1-131, 37-60-202, MCA

IMP: 37-60-202, 37-60-405, MCA

REASON: The board determined there is reasonable necessity to adopt New Rule I and further implement 37-60-405, MCA, which requires board approval of weapons carried by armed licensees. The types of firearms for which licensees could receive armed endorsement were previously listed in a now-repealed administrative rule. Following board review and discussion, the board concluded that licensees should receive approval and endorsement to carry any and all firearms for which the licensee is adequately trained or qualified to carry.

NEW RULE II REQUIREMENTS FOR FIREARMS INSTRUCTOR

LICENSURE (1) An applicant for licensure as a firearms instructor shall submit evidence that the applicant:

- (a) is at least 21 years of age;
- (b) maintains or is otherwise insured under a policy with a minimum of \$500,000 occurrence form of commercial general liability which includes personal injury; and
- (c) has successfully completed a firearms instructor training course conducted by any of the following:
  - (i) National Rifle Association (NRA);
  - (ii) Peace Officers' Standards and Training (POST);
  - (iii) United States military; or
  - (iv) federal law enforcement.

(2) An applicant shall provide the following additional information at the time of application:

- (a) detailed outlines of all courses to be instructed; and
- (b) proof of education and training, which may include:
  - (i) transcripts;
  - (ii) diplomas;
  - (iii) seminar certificates;
  - (iv) course completion certificates; or
  - (v) other supporting evidence.
- (3) An applicant must successfully pass any required written examination with a score of 70% or higher.
- (4) Licensed firearms instructors shall:
  - (a) file a yearly certificate of insurance with the board; and
  - (b) conduct at least one board approved combat shooting course annually.
- (5) Instructors may only offer courses in which they have been approved by the board to instruct.

AUTH: 37-60-202, MCA

IMP: 37-1-131, 37-60-202, MCA

REASON: The board determined there is reasonable necessity to adopt New Rule II to implement 37-60-202, MCA, which requires the board to adopt and enforce rules for the licensure of firearms instructors. The board is proposing to adopt this rule to identify the minimum requirements for initial and continued licensure as a firearms instructor as determined by the board to be necessary for the public's protection.

NEW RULE III. REQUALIFICATION REQUIRED ANNUALLY (1) Licensees with armed status shall requalify annually with a board-approved firearms instructor to maintain their firearm endorsement each year. Requalification will be based upon satisfactory completion of a board-approved combat shooting course at least once during each year.

AUTH: 37-60-202, MCA

IMP: 37-60-202, 37-60-303, MCA

REASON: It is reasonably necessary to adopt New Rule III to implement 37-60-303(5), MCA, that requires armed status applicants to submit written notice of satisfactory completion of a firearms training program certified by or satisfactory to the board. The board concluded that requiring annual completion of a board-approved combat shooting course to renew and maintain licensees' armed endorsement would heighten the public's protection by increasing the competency and performance of the board's armed licensees.

NEW RULE IV. COMPANY LICENSURE AND BRANCH OFFICES (1) An applicant for licensure as a contract security company, electronic security company, or proprietary security organization must obtain a company license for the applicant's principal place of business within Montana. Subsequent company locations within Montana may be licensed as branch offices.

(2) Company licensees shall provide proof of registration with the Montana Secretary of State's office and provide the following information:

- (a) for individual ownership, the name of the owner and the owner's address;
- (b) for a partnership, a list of partners and their addresses;
- (c) for a limited liability company, a list of the members and their addresses;

or

- (d) for a corporation, a list of principal officers and their addresses.

(3) No branch office shall be authorized for any category of licensure without board approval.

(4) An applicant for licensure for a branch office shall provide the name of the resident manager appointed to exercise direct supervision, control, charge, management, or operation of each branch office located in Montana.

- (5) Each branch office shall have at least one resident manager who is:

- (a) typically present during regular Monday through Friday office hours; and
- (b) who has established to the board's satisfaction that the resident manager meets the necessary experience qualifications of ARM 24.182.503.

AUTH: 37-1-131, 37-60-202, MCA

IMP: 37-60-202, 37-60-302, 37-60-303, MCA

REASON: It is reasonably necessary to adopt New Rule IV to set forth the particular requirements of company and branch office licensees. The new rule clarifies that all security companies doing business within Montana must obtain a company license for the principal business location in Montana and may then license subsequent locations as branch offices. Further, the new rule requires that company licensees submit the names of all appointed resident managers to the board prior to licensure of the branch offices. The remaining rule text contains current requirements of company licensees that are being clarified and incorporated from ARM 24.182.413 and 24.182.501 so company licensure requirements are consolidated in one rule.

5. The rule proposed to be repealed is as follows:

24.182.413 RULES FOR BRANCH OFFICE found at ARM page 24-20833.

AUTH: 37-60-202, MCA

IMP: 37-60-302, MCA

REASON: It is reasonable and necessary to repeal ARM 24.182.413 as the rule text is being incorporated for better organization and increased clarity into New Rule IV of this notice.

6. Concerned persons may present their data, views, or arguments either orally or in writing at the hearing. Written data, views, or arguments may also be submitted by mail to Sandy Matule, Board of Private Security Patrol Officers and Investigators, Department of Labor and Industry, P.O. Box 200513, Helena, Montana 59620-0513, by facsimile to (406) 841-2309, or by e-mail to [dlibsdpsp@mt.gov](mailto:dlibsdpsp@mt.gov) and must be received no later than 5:00 p.m., August 4, 2006.

7. An electronic copy of this Notice of Public Hearing is available through the department and board's site on the World Wide Web at [www.privatesecurity.mt.gov](http://www.privatesecurity.mt.gov), in the Rules Notices section. The department strives to make the electronic copy of this Notice of Public Hearing conform to the official version of the Notice, as printed in the Montana Administrative Register, but advises all concerned persons that in the event of a discrepancy between the official printed text of the Notice and the electronic version of the Notice, only the official printed text will be considered. In addition, although the department strives to keep its website accessible at all times, concerned persons should be aware that the website may be unavailable during some periods, due to system maintenance or technical problems, and that a person's technical difficulties in accessing or posting to the e-mail address do not excuse late submission of comments.

8. The Board of Private Security Patrol Officers and Investigators maintains a list of interested persons who wish to receive notices of rulemaking actions proposed by this board. Persons who wish to have their name added to the list shall make a written request that includes the name and mailing address of the person to receive notices and specifies that the person wishes to receive notices regarding all Board of Private Security Patrol Officers and Investigators administrative rulemaking proceedings or other administrative proceedings. Such written request may be mailed or delivered to the Board of Private Security Patrol Officers and Investigators, 301 South Park Avenue, P.O. Box 200513, Helena, Montana 59620-0513, faxed to the office at (406) 841-2309, e-mailed to [dlibsdpsp@mt.gov](mailto:dlibsdpsp@mt.gov) or may be made by completing a request form at any rules hearing held by the agency.

9. The bill sponsor notice requirements of 2-4-302, MCA, do not apply.

10. Darcee L. Moe, attorney, has been designated to preside over and conduct this hearing.

BOARD OF PRIVATE SECURITY PATROL  
OFFICERS AND INVESTIGATORS  
LINDA SANEM, CHAIRPERSON

/s/ MARK CADWALLADER  
Mark Cadwallader  
Alternate Rule Reviewer

/s/ KEITH KELLY  
Keith Kelly, Commissioner  
DEPARTMENT OF LABOR AND INDUSTRY

Certified to the Secretary of State June 26, 2006